



Department of Justice

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Southern District of Indiana**

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INDIANAPOLIS REAL ESTATE INVESTOR SENTENCED FOR WIRE FRAUD

PRESS RELEASE

Timothy M. Morrison, Acting United States Attorney for the Southern District of Indiana, announced that ERIC T. GURNELL, 34, Indianapolis, Indiana, was sentenced to 13 months imprisonment today by U.S. District Judge Larry J. McKinney following his guilty plea to Wire Fraud. This case was the result of an investigation by the United States Secret Service.

GURNELL operated a real estate investment company by the name of EGA Properties (EGA) in Indianapolis. EGA sought investors to purchase distressed real estate parcels which GURNELL promised to rehabilitate and sell for a profit. In May 2005, following some negotiations, a group of investors in California wired a total of \$105,900 to GURNELL in three separate transactions regarding three parcels of real estate GURNELL purported to own in Indianapolis. On May 31, 2005, GURNELL wired various mortgage and real estate trust documents back to the investors, from Indiana to California. In these documents, GURNELL represented that he owned the properties and that the investors were being provided with security in their investments. GURNELL did not own the properties then and never purchased the properties. Accordingly, the investors lost their total investment.

According to Assistant U.S. Attorney James M. Warden, who prosecuted the case for the government, Judge McKinney also imposed 3 years supervised release following GURNELL's release from imprisonment. GURNELL was ordered to make restitution of approximately \$106,000.

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